(b) if so, the basis on which the exemption was granted;

(c) whether Government have received any corruption charges against the Chief Administrator of the Foundation;

(d) if so, the details thereof;

(e) whether Government have also received a demand that the income tax exemption to the foundation be cancelled : and

(f) if so, the action taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY) : (a) Yes, Sir. Up to Assessment Year 1991-92.

(b) Exemption has been granted under Section 11 of the Income-Tax Act by holding this Foundation as a charitable institution.

(c) to (f) Yes, Sir. Complaint regarding malfunctioning in this Foundation has been received. Matter is under investigation as to whether the contents of the complaint are true and if yes, whether those are of the magnitude warranting withdrawal of the exmption.

WAIVING OF LOANS BY STATE BANK OF INDORE

2560. SHRI RAM NARESH YADAV: Will the Minister of Finance be pleased state:

(a) whether it is a fact that the State Bank of Indore has waived loans amounting to crores of rupees during the year 1992;

(b) if so, the names of the borrowers and the amount of loan waived in each case;

(c) whether Government are considering to institute an enquiry into the matter to fix responsibility for waiving loans; and

(d) if so, the steps taken/proposed to be taken by Government in this matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (d) The banks being credit institutions grant advances for the viable ventures to various sectors of economy in the normal banking business after assessing their need based credit requirements. However, certain amount of bad debts arise despite all systems and procedures to ensure safety of funds lent. Banks write off certain advances as bad debts only when they are fully satisfied that these advances are ultimatelv irrecoverable, i.e. after exausting all advances of recoveries. The aggregate amount of bad debts written off by the State Bank of Indore during the vear 1992—was Rs. 392.66 lakhs involving 4000 accounts. The approval in all the above stated cases were granted on recommendations of the Branch Manager/ Competent Authority by the Executive Committee and or competent authority in terms of powers delegated to them. In accordance with the statutes governing the public sector banks as also in terms of practices and usages customary amongst bankers, the banks do not divulge information relating to the affairs of their constituents except in circumstances in which it is, in accordance with the law or practice and usage customary among bankers, necessary or appropriate for the banks to divulge such information.

SETTING UP OF BHANCHES OF NATIONALISED BANKS IN ORISSA

2561. SHRI SANTOSH KUMAR SAHU : Will the Minister of Finance be pleased to state :

(a) the number of letters of intent that have been issued last year and so far in the current year for the setting up of branches of the Nationalised Bank in Orissa:

(b) whether it is a fact that Government are contemplating to dispence with the present lengthy procedure of locating approving through committees and finally issuing letters of intent for opening of more branches in the rural areas on public demand ; and

(c) what are the existing procedures and which of them are proposed to be modified in so far as opening of Bank branches are concerned ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR ABRAR AHMED) : (a) Reserve Bank of India have reported that under the Branch Expansion Policy 1994-95, 14 licences were issued to public sector banks for opening of branches in Orissa during the year 1992-93 and during the current year (1993-94) upto 31-10-1993 (latest available) 9 licences have been issued.

(b) and (c) The aim of Branch Expansion Policy 1985—90 was to achieve a population coverage of 17,000 (1981 census) per bank office in rural and semi-urban areas in each block so as to eliminate vide spatial gaps in the availability of banking facilities so that a rural branch was available generally within a distance of 10 Kms. With the opening of bank branches in rural area, the average population per bank branch in rural and semi-urban areas has come down to 13,000 by the end of 1989. At present, there is a network of 35313 branches of commercial banks in the rural areas of the country. Nevertheless, there may still be need for a number of additional bank branches in rural areas generally on two counts.

(i) Service area allocated to a bank branch may be found to be unmanageable due to large number of villages allotted, number of constituents to be caterrd to and long distances/difficult terrain involved in servicing the area.

(ii) The increase in business of a rural branch justifiably warranting an additional bank branch which could be liable.

Under the Branch Expansion. Programme 1990—95 of Reserve Bank of India, it has now been left to the judgement of the individual banks to assess the need for additional bank branches in the respective service areas of their rural branches.

EXCISE RELIEF FOR MIDDLE AND LOWER CLASSES

2562. SHRI MENTEY PADMANABHAM :

SHRI S. AUSTIN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that only electronic kitchen goods and items used by higher income groups received excise relief in recent years ;

(b) whether it is a fact that ordinary gadgets used by middle classes and lower income groups have yet to receivd any similar relief;

(c) whether Government are aware of this anomaly; and

(d) steps proposed to reduce excise duty and rate of duty on items of daily use by middle classes in their kitchens ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY) : (a) to (c) No Sir. The excise duty on domestic electrical appliances like grinders, mixers, cookers etc. was reduced in 1993-94 Budget. There was increase in duty on items like microwave ovens, grillers, boiling plates, food warming trays, food warming trollies, hot food cabines, etc. cream churners, etc. Domestic electrical